

# Instructions for Online Filing of the 2EZ Form



This online form was designed for use with Internet Explorer browsers (version 5, 6 and 7). If you are using a browser other than Internet Explorer you may experience difficulties, such as colors not showing in the fields. In a few cases, the form may not work as intended.

## Color-coded Textboxes and Fields

Textboxes, drop-down lists, checkboxes, etc., are shaded different colors for easy recognition:

- Green - enabled for your input.
- Yellow - required, you will need to fill in these fields before you save or submit.
- Red - in error, hovering over the field will provide a description of the error. The red will remain in that field until you have completed your return and clicked on **Check of Errors**.
- White - view-only, you will not be able to enter data into this field. These fields will be calculated for you when you click on **Continue**.

## Links on the Tax Return

There are lines on the tax return that allow you to click on links. Clicking the link will take you to another page, where after submitting your data, click on **Return to Main Form** to save your data, and return to the main page of your tax return.

## Submitting Your Tax Return

Once you have finished filling out your tax return, click on **Continue**. This will check for any errors that may be on your tax return and calculate your tax, indicating whether you have a refund (line 22) or a tax due (line 21). Red fields indicate errors have been made such as an invalid entry or required information was not entered. Once all errors have been corrected you will see the **Submit** and **Change** buttons. If there are no errors on your tax return, click on **Submit** to submit your tax return, or click on **Change** to make changes to your tax return, such as adding direct deposit information for your refund, before submitting.

After clicking on **Submit**, please review your tax return. If you notice a line that needs to be corrected, click on **Change** and refer to the paragraph above to continue. If all of your entries are correct, click on **Confirm Final Submission** to file your tax return. After you submit your tax return, you will receive a message on the next screen that contains your confirmation number. From this screen, you can print a copy of your tax return, which will show your confirmation number in the upper left hand corner of the page. Your printed copy will act as your receipt and is for your records only. We expressly ask that you do not mail the paper copy to us; your electronically-submitted tax return contains everything that we need for processing.

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## Filing a Tax Return - Step by Step Instructions

**Step 1:** Enter your social security number.

**Step 2:** Choose a filing status. The options are **Single or Married Filing Jointly**. Your filing status determines how many exemptions you are allowed to claim. Please note, you are allowed one exemption for yourself even when you are claimed as a dependent on another person's income tax return.

You can claim **Single**, if on December 31, 2006 you:

- are single;
- were legally separated according to your state law under a decree of divorce or separate maintenance; or
- were widowed before January 1, 2006 and you did not remarry in 2006.

You can claim **Married Filing Jointly**, if

- you were married as of December 31, 2006, even if you did not live with your spouse at the end of 2006; or
- you were married as of December 31, 2006 and your spouse died in 2007 before filing a 2006 tax return.

**Step 3:** Click on the link to provide your filing information. The yellow fields and the red social security field are required in order to continue with your filing. When all of your filing information has been entered, click on **Return to Main Form** in order to complete your tax return.

**Step 4:** Enter lines 4 through 6. Enter the amounts for these lines that correspond with your federal income tax return Form 1040 or 1040EZ.

**Step 5:** Line 8 – Exempt Unemployment Compensation. If you have received unemployment benefits from Montana or from another state, these benefits are not taxable to Montana. If you reported taxable unemployment benefits on your Form 2EZ, line 6, enter the amount of these benefits on line 8.

**Step 6:** Line 9 – Exemption for Certain Taxed Tips and Gratuities. You can subtract from your federal adjusted gross income any tips and gratuities that you have received from patrons while you worked in the food, beverage or lodging industry. These should be reported as part of your federal adjusted gross income. All other tips and gratuities that you received for providing services in other business industries are not excluded from your federal adjusted gross income in arriving at your Montana adjusted gross income.

**Step 7:** Line 17 – Montana Income Tax Withheld. Enter on Form 2EZ, line 17 the amount of the Montana income tax withheld from your income and reported in Box 17 of your federal Form W-2.

**Step 8:** Line 18 – Late File, Late Pay Penalties and Interest.

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- Late File Penalty.** If you file your tax return after April 16, 2007, or October 15, 2007 if you have a valid extension, you will be assessed a late file penalty if your combined total tax due reported on Form 2EZ, line 16 is greater than your total withholding reported on Form 2EZ, line 17. The penalty is the amount of tax you owe or \$50, whichever is less. If you are filing your tax return late and you have a refund, you are not assessed a late file penalty. To calculate your late file penalty, subtract line 17 from line 16 and enter the amount or \$50, whichever is less.
- Late Pay Penalty.** If you have not paid to us 100% of your income tax liability by April 16, 2007, you will have to pay a penalty. Your late pay penalty is equal to 1.5% per month or fraction of a calendar month on the unpaid balance from April 16, 2007 until it is paid. To calculate your late pay penalty, subtract line 17 from line 16 and then multiply this result by 1.5% per month or fraction of a calendar month your payment is late. In no instance will your late pay penalty exceed 18% (12 months X 1.5%).
- Interest.** If you have not paid to us 100% of your income tax liability by April 16, 2007 you will have to pay 8% annual interest, computed daily on your unpaid balance. Remember: A valid extension of time to file your tax return by October 15, 2007 does not extend your time for paying your income tax by April 16, 2007. To calculate your interest, subtract line 17 from line 16 and then multiply this result by .0002192(.02192%) times the number of days after April 16, 2007 your payment is received. If you owe more than one of the items listed above, enter each applicable amount in the worksheet below.

Type	Amount
Late file penalty	
Late pay penalty	
Interest	
<b>Total</b>	

Enter the total on Form 2EZ, line 18. (You may wish to keep this worksheet as part of your records for future reference.)

**Step 9:** Line 19 – Montana Check-off Programs. Montana 's tax statutes provide you with the opportunity to contribute, via your income tax return, to the following programs. You can contribute any amount to any **one** of these four programs. Your contribution will increase the amount you owe or reduce the amount of your refund. For more detailed descriptions of these programs, you may [click here](#).

## Step 10:

- Line 22 – Your Refund.** This is the amount of your refund. Only refunds greater than \$1.00 will be issued. If you wish to use direct deposit, click on the link below line 22 to enter your financial institution's routing number (RTN#), your account number (ACCT#), and whether this account is your checking or savings

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account. Your routing number will be nine digits and your account can be up to 17 characters (both numeric and alpha). Your direct deposit will be rejected if the routing number or account number is incorrectly listed. If your direct deposit is rejected, we will have to mail you a check instead.

- Line 21 – Amount you owe. When you complete your return by clicking on the Confirm Final Submission button, on the confirmation screen you will be given links that will allow you to pay the amount you owe electronically (by credit card or e-check) or by using a paper check and payment coupon.

**Step 11:** Do you want a paper return mailed to you next year? – If you do not need a 2007 tax return mailed to you, select no from the drop down list at the bottom of the main page.

**Step 12:** Additional Information. If you used a paid preparer, click on the link to enter the preparer's information.